



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

For Immediate Release:
February 10, 2005

News Media Contact:
Rosemary Kimball at (202) 418-0511
e-mail: rosemary.kimball@fcc.gov

COMMISSION ADOPTS RULES TO HELP ENSURE ACCURACY OF PHONE BILLS AND REDUCE SLAMMING PROBLEMS

Washington, DC – The Commission has adopted new rules that will help ensure that consumers' phone service bills are accurate and that their carrier selection requests are honored and executed without undue delay. The rules specify a number of situations in which carriers must share customer information with each other.

This proceeding began with a Notice of Proposed Rulemaking released on March 25, 2004. It asked parties to address the magnitude of the billing problems ascribed to carriers' failure to exchange customer account information among themselves in a complete and/or timely manner and whether the adoption of mandatory, minimum standards could significantly reduce the percentage of consumer complaints concerning billing errors.

Upon a review of the record, the Commission concluded that mandatory, minimum standards are needed to facilitate the exchange of customer account information between local exchange carriers (LECs) and interexchange carriers (IXCs). The Commission pointed to evidence demonstrating that information needed by carriers to execute customer requests in a timely and efficient manner and to properly bill customers was not being consistently provided by all LECs and by all IXCs.

Comments by a group of telephone companies reported, for example, that nearly 60 percent of approximately 3,065 wireline local service providers do not participate in *any* exchange of customer account information. As a result, on average, approximately 163.7 million calls per month (nearly two billion calls per year) are placed on their long distance networks by subscribers for whom the long distance provider has received no customer billing name and address information. The Commission noted that complaints to its own Consumer Centers also indicated continuing problems caused by lack of information sharing among companies.

Under the new rules, a LEC will be required to supply customer account information to an IXC when: (1) the LEC has placed an end user on the IXC's network; (2) the LEC has removed an end user from the IXC's network; (3) an end user that is presubscribed to the IXC makes certain changes to her account information via her LEC; (4) the IXC has requested billing, name and address (BNA) information for an end

user who has usage on the IXC's network but for whom the IXC does not have an existing account; and (5) the LEC rejects an IXC-initiated order to change a customer's presubscribed interexchange carrier (PIC). In addition, an IXC will be required to supply customer account information to a LEC when an end user contacts the IXC directly either to select or to remove the IXC as his PIC. The Commission also required carriers to provide the required notifications promptly and without unreasonable delay.

While the Commission specified what type of information must be shared, it did not specify the method carriers should use, allowing them to share customer account information pursuant to state-mandated data exchange requirements, privately negotiated agreements with other carriers, or voluntarily-established business rules, including the voluntary, industry-developed standards known as the Customer Account Record Exchange (CARE) process. This approach should minimize the potential costs or burdens associated with implementing the information sharing requirements, particularly for small and rural carriers.

The new rules recognize a carrier's right to be compensated for the services it provides by ensuring that providers of long distance phone services receive proper notification when customers are placed on their networks.

The information sharing standards adopted today apply in situations involving an IXC and a LEC (or LECs). The Commission also issued a Further Notice of Proposed Rulemaking (FNPRM) seeking comment on whether they should be extended to situations in which consumers change LECs. The FNPRM specifically asked whether the Commission should require all local service providers to participate in the exchange of customer account information and if so, what information local service providers should be required to supply.

Action by the Commission February 10, 2005, by Report and Order and Further Notice of Proposed Rulemaking (FCC 05-29). Chairman Powell, Commissioners Abernathy, Copps, Martin and Adelstein, with Chairman Powell issuing a separate statement.

- FCC -

CGB contact: Lisa Boehley at (202) 418-7395.
CG Docket 02-386.